

Michigan Municipal Electric Association

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May 5, 2016

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| Coldwater | |
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| Harbor Springs | |
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| Holland | |
| L'Anse | |
| Lansing | |
| Lowell | |
| Marquette | |
| Marshall | |
| Negaunee | |
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| Niles | |
| Norway | |
| Paw Paw | |
| Petoskey | |
| Portland | |
| St. Louis | |
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| South Haven | |
| Stephenson | |
| Sturgis | |
| Traverse City | |

Union City Wakefield

Wyandotte Zeeland Senator Mike Nofs, Chairman Senate Committee on Energy and Technology Lansing, MI 48909

Chairman Nofs and Members of the Committee:

Thank you for the opportunity to testify before you today.

The Michigan Municipal Electric Association (MMEA) is Michigan's trade group for municipally owned electric utilities. The 40 communities in MMEA which own and operate their own electric utilities provide for approximately eight percent of Michigan's total electric retail sales.

As units of local government, municipal electric systems are non-profit, community owned and operated, and regulated directly by the communities they serve through elected and/or appointed officials. As such, every citizen is an owner of the utility - having the opportunity to have a direct say in decisions that affect rates, service, and policy.

Municipal utilities take a long-term planning approach to ensure generation capacity is available for future reliability at a reasonable price. In fact, MMEA members have a legal obligation-to-serve all customers within their service territory that request service.

As Michigan proceeds to retire older less efficient coal plants, MMEA understands the importance of ensuring that the State of Michigan will have sufficient generation capacity to meet its long-term electric needs. We also recognize that renewable energy and waste reduction programs are critical components of any sound power supply plan.

As such, MMEA supports SB 437 & 438 and the public policy they advance.

I would be pleased to take any questions that you may have.

Regards,

Jim Weeks

Executive Director

Jim Weeks

C: Members of the Senate Committee on Energy and Technology Members of the MMEA Board of Directors